

U10.182510002

Heela



EXHIBIT C

DESCRIPTION OF LAGOON PROPERTY

A portion of the Southeast 1/4 of Section 5, Township 42 South, Range 17 West, Salt Lake Base & Meridian, more particularly described as follows:

Beginning at a point located S89°54'23"E along the section line 1354.54 feet and North 635.37 feet from the South 1/4 corner of Section 5, T42S, R17W, S.L.B. & M.;

Thence N73°02'00"W 599.06 feet;

Thence N24°23'00"W 315.86 feet;

Thence N28°30'00"E 258.37 feet;

Thence N89°55'00"E 524.74 feet to an existing fenceline;

Thence S4°35'08"E 692.54 feet to the point of beginning

8/27/99

Contains 8.28 acres

ARTICLE III
CONDITIONS PRECEDENT TO
COMMENCEMENT OF LEASE

3.1 Conditions Precedent to Commencement of Lease. The obligations of Lessor pursuant to this Lease and the obligations of Lessee pursuant to this Lease are subject to the satisfaction of each of the following conditions precedent, unless waived in writing by Lessee (except for the condition described in Paragraph 3.1(e) below which must be waived in writing by Lessor and Lessee):

(a) Environmental Inspection. The results of Lessee's inspection and review of the condition of the Premises and of compliance with environmental laws relating to the Premises shall be wholly satisfactory to Lessee in its sole discretion.

(b) Zoning and Other Laws. The laws, rules and regulations relating to the Premises and the use thereof, including zoning laws, building codes and health and safety laws shall be wholly satisfactory to Lessee in its sole discretion.

(c) Soil Conditions. The results of the inspection and review of the soil condition and other physical conditions of the Premises shall be wholly satisfactory to Lessee in its sole discretion.

(d) Water Availability. The results of the geological and water surveys and reviews of the Premises shall be wholly satisfactory to Lessee in its sole discretion.

(e) Purchase of Hecla Assets by Lessee. Lessee shall have consummated the purchase of substantially all of the assets of Hecla pursuant to that certain Purchase and Sale Agreement dated effective as of August 2, 1995 between Hecla and Lessee.

(f) Amendment of Hecla Lease. The lease agreement dated November 21, 1983, as assigned and amended, between Hecla and Lessor (the "Hecla Lease") shall have been amended to provide that Lessor shall lease to Hecla and Hecla shall lease from Lessor only that certain real property as more particularly described on Exhibit C attached hereto and incorporated herein by this reference (the "Lagoon Property").

3.2 Commencement of Lease. This Lease shall commence on the day it is fully executed by Lessor, Lessee and approved by the Bureau of Indian Affairs (such date, the "Commencement Date"). The Commencement Date shall occur no later than December 31, 1995, unless extended by written notice by Lessee.

3.3 Effect of this Lease. Beginning on the Commencement Date, this Lease shall supercede and replace the Hecla Lease.

AUG 27 1999

LEASE AGREEMENT

Compliance & Env. Justice

THIS LEASE AGREEMENT (the "Agreement" or "Lease") is made and entered into this 25th day of September, 1995, by and between The Shiywits Band of Paiute Indians (the "Lessor") and OMG Apex, Inc., a Delaware corporation (the "Lessee"), a wholly owned subsidiary of Mooney Chemicals, Inc., under the provisions of the Act of August 9, 1955 (69 Stat. 539; 25 USC 415) as amended, as supplemented by Part 162, Leasing and Permitting, of the Code of Federal Regulations, Title 25 - Indians, and any amendments thereto relative to business leases on restricted Indian lands, all of which by reference are made a part hereof.

W I T N E S S E T H:

WHEREAS, Lessor owns certain real property located in Washington County, Utah (the "Real Property"), as more particularly described on Exhibit A which is attached hereto and incorporated herein by this reference; and

WHEREAS, Lessor owns certain water rights which are appurtenant to the Real Property (the "Water Rights") and which are more particularly described in Exhibit B attached hereto and incorporated herein by this reference; and

WHEREAS, Lessor currently leases portions of the Real Property and Water Rights and certain other real property to Hecla Mining Company ("Hecla");

WHEREAS, Hecla desires to sell to Lessee and Lessee desires to purchase from Hecla substantially all of the facilities and properties of Hecla located on the Real Property;

WHEREAS, after the satisfaction of certain conditions precedent, Lessor is desirous of leasing to Lessee and Lessee is desirous of leasing from Lessor the Real Property and Water Rights;

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto mutually agree as follows:

ARTICLE I

LEASED PREMISES, TERM, RENTAL

1.1 Premises. Lessor hereby agrees to lease to Lessee and Lessee hereby agrees to lease the Real Property and the Water Rights from Lessor, for the term and upon the conditions hereinafter set forth (the Real Property and Water Rights are hereinafter collectively referred to as the "Leased Premises").

1.2 Term. The initial term of the lease shall be for a period of twenty-five (25) years from the Commencement Date (as defined in Paragraph 3.2 below).

1.3 Renewal Options. Lessor hereby grants to Lessee and Lessee hereby accepts the option to lease the Leased Premises for one succeeding additional term of twenty-five (25)